

# PERAC

COMMONWEALTH OF MASSACHUSETTS | PUBLIC EMPLOYEE RETIREMENT ADMINISTRATION COMMISSION

DOMENIC J. F. RUSSO, *Chairman*

JOSEPH E. CONNARTON, *Executive Director*

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## MEMORANDUM

TO: Methuen Retirement Board

FROM: Joseph E. Connarton, Executive Director

RE: Approval of Funding Schedule

DATE: May 29, 2014

This Commission is hereby furnishing you with approval of the revised funding schedule you recently adopted (copy enclosed). The schedule assumes payments are made on July 1 of each fiscal year. The schedule is effective in FY15 (since the amount under the prior schedule was maintained in FY15) and is acceptable under Chapter 32.

If you have any questions, please contact PERAC's Actuary, Jim Lamenzo, at (617) 666-4446, extension 921.

Enc.



## Methuen Retirement System January 1, 2014 Actuarial Valuation

Total Increasing 5.0% until FY32

<u>Fiscal Year</u>	<u>Normal Cost</u>	<u>Amort. of UAL</u>	<u>Amort. of 2002 ERI</u>	<u>Amort. of 2003 ERI</u>	<u>Amort. Of 2010 ERI</u>	<u>Pension Holiday</u>	<u>Total Cost</u>	<u>Unfunded Act. Liab.</u>
2015	2,088,978	7,013,048	192,344	223,664	224,210	68,071	9,810,315	116,836,966
2016	2,182,982	7,695,860	201,000	233,729	224,210	71,134	10,608,915	117,572,090
2017	2,281,216	8,105,347	210,045	244,247	224,210	74,336	11,139,400	117,604,984
2018	2,383,871	8,535,904	219,497	255,238	224,210	77,681	11,696,400	117,174,677
2019	2,491,145	8,988,572	229,374	266,724	224,210	81,176	12,281,200	116,221,464
2020	2,603,246	9,464,593	239,696	278,726	224,210	84,829	12,895,300	114,679,844
2021	2,720,393	9,965,100	250,482	291,269	224,210	88,647	13,540,100	112,477,844
2022	2,842,810	10,491,315	261,754	304,376	224,210	92,636	14,217,100	109,536,642
2023	2,970,737	11,268,853	273,533	318,073		96,804	14,928,000	105,769,934
2024	3,104,420	11,850,592	285,842	332,386		101,160	15,674,400	101,083,153
2025	3,244,119	12,462,220	298,705	347,344		105,713	16,458,100	95,372,944
2026	3,390,104	13,890,896					17,281,000	88,526,282
2027	3,542,659	14,602,441					18,145,100	80,419,628
2028	3,702,078	15,350,322					19,052,400	70,918,019
2029	3,868,672	16,136,328					20,005,000	59,874,194
2030	4,042,762	16,962,538					21,005,300	47,127,551
2031	4,224,686	17,830,914					22,055,600	32,502,801
2032	4,414,797	15,808,959					20,223,756	15,808,959
2033	4,613,463						4,613,463	0

Appropriation payments assumed to be made on July 1 of each fiscal year  
Normal cost assumed to increase 4.5% per year  
Assumed expenses of \$300,000  
FY15, FY16 amounts maintained at level of current funding schedule  
Total appropriation increases 5% each year through FY31 with final amortization payment in FY32.